



LEGISLATIVE FISCAL OFFICE
Streamlining Commission Analysis

Recommendation No. **RECOMMENDATION 75**
Streamlining Draft **AGEDNES 21**

Date: December 22, 2009 10:32 AM	Author:
Dept./Agy.: DHH/DSS	Analyst: Shawn Hotstream
Subject: eligibility determination function	

Recommendation requires the development of a consolidation plan establishing a single point of access for eligibility and enrollment into public benefit programs offered by DHH and DSS.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The fiscal impact of establishing a single point of access for shared populations in DHH and DSS is indeterminable at this time. Proposed recommendation is not specific on which agency will acquire the eligibility determination function for medical assistance under DHH (for Medicaid, LaCHIP, and WIC) or benefits under DSS (for TANF, SNAP, CCAP), nor does it appear to require single agency management. The note assumes this function will not be centralized in a single agency. However, the recommendation proposes an “electronic” or “virtual” access for eligibility and enrollment, through the use of web-based technology, a centralized call center, electronic case records, and a coordinated provider portal. Although up front IT related costs are anticipated to be significant, recurring administrative savings could be realized associated with elimination of duplicate personnel and associated operational expenses. The net effect is unknown. This assumes that electronic access would partially or entirely replace traditional points of entry. To the extent that this recommendation simply results in a continued effort in data sharing, the fiscal impact is anticipated to be minimal, and would lead to greater efficiency (improve customer service) in enrollment and re-enrollment for certain individuals that are eligible for various services.

Note: Information received from the Department of Health and Hospitals indicates many of these proposed initiatives have already been implemented within their department beginning in 1992, including total implementation of an electronic eligibility case record system (paperless case records), web access through the internet for applications, and a statewide customer call center. To the extent the traditional points of entry are eliminated (face to face interviews, paper case record system), the majority, if not all of personnel and operational savings may be realized in the Department of Social Services. DSS estimates at least a 5% staff reduction associated with a fully modernized electronic eligibility system.

Both departments have indicated that approximately 40% of Medicaid and LaCHIP enrollees also receive DSS administered services. As a result, some virtual consolidation initiatives are currently in place for means tested programs in both agencies. These current processes include 1) both agencies possessing “inquiry only” rights allowing DHH access to DSS eligibility records, and allowing DSS access to the Medicaid Eligibility (MEDS) system to assist the separate staffs in the determination process; 2) daily data transfer and sharing between agencies

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REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate	Dual Referral Rules	House	
<input type="checkbox"/> 13.5.1 >= \$500,000 Annual Fiscal Cost		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease	H. Gordon Monk Legislative Fiscal Officer



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that improve customer service by not requiring additional paperwork; and 3) system co-location. The MEDS system resides on the DSS mainframe, which creates a greater efficiency related to IT costs. In addition, this IT relationship provides interfaces allowing both departments access to eligibility information.

DHH
Currently, DHH performs eligibility determinations for Medicaid and LaCHIP. Approximately 1.1 M Louisiana residents are enrolled in Medicaid or LaCHIP. Of this amount, there are approximately 940,000 processed to determine eligibility (certain individuals are automatically eligible). Information provided by DHH indicates total eligibility support staff is currently 820, which are located throughout the state at 40 offices. Total annual costs of performing eligibility determinations is \$67.3 M (salary and related benefits, and operational expenses).

DSS
Currently, DSS performs eligibility determinations for Family Independence Temporary Assistance Program (FITAP), Child Care Assistance (CCAP), and Supplemental Nutrition Assistance Program (SNAP). As of November 2009, approximately 841,643 individuals are enrolled in these programs. All are processed to determine eligibility. Information provided by DSS reflects a total enrollment/eligibility staff of 1,627 (existing operating budget as of December, 2010) for these programs, at a total annual personnel cost of \$84,451,459 (salary and related benefits projected for FY 10). Staff are located throughout the state in 75 offices. Operational expenses associated with this function (travel, supplies, operational expenses, and other charges) are approximately \$73,613,855. Total costs associated with eligibility determination is approximately \$158,065,314 (exclusive of actual benefit payments).

	<u>Number of eligibility staff</u>	<u>Number of determinations</u>	<u>Overall costs</u>
DHH	820	940,000	\$67.3 M
DSS	1,627	841,643	\$158.1 M

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	<u>H. Gordon Monk</u>
<input type="checkbox"/> 13.5.1 >= \$500,000 Annual Fiscal Cost		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost	H. Gordon Monk
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease	Legislative Fiscal Officer